

PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS MINUTES

The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, April 28, 2014 at 6:00 pm in the District office, Pascoag 253 Pascoag Main Street, Pascoag, RI.

Members Present: Chairman Albert Palmisciano, Vice-Chair Ann Polacek, Commissioners Richard Jenks, Michael Kogut and Wallace Lees

Members Absent:

Also in Attendance: Michael Kirkwood, General Manager; William Bernstein, General Counsel

Chairman Palmisciano opened the meeting at 6:00 pm.

- 1. Pledge of Allegiance**
- 2. Public Comment-there were no comments.**
- 3. Committee Comments- there were no comments**
- 4. Good and Welfare of the District**

A. Docket No. 1725

Ms. LaPorte reviewed the customer shut off information. There were no customers terminated in the month of March. Pascoag Utility District sent out 339 disconnection notices. Motion to receive and file made by Mr. Lees, seconded by Mr. Jenks. The vote in favor was unanimous.

B. Exxon Mobil Settlement Review

Mr. Kirkwood stated that Ms. Allaire has provided the current account balances in the Board packet. \$91,000 was paid to two of Pascoag's consultants in the month of April for ground water exploration. There

is \$1,519,000 in the account, in addition to a \$500,000 CD. Motion to receive and file made by Mr. Lees, seconded by Mr. Kogut. The vote in favor was unanimous.

C. DOE QER Meeting

Mr. Kirkwood stated that he attended the Department of Energy's Quadrennial Energy Review. US Secretary of Energy Ernest Moniz attended the event. The meeting reviewed nationwide energy policy and infrastructure. Secretary Moniz was aware of the differences in New England in regards to the high energy costs we've been experiencing based on the limited pipeline capacity. The Federal Government has also has recognized this as an issue. Senator Reed also attended and talked about energy in relation to RI economy.

D. Water Department ERP Training

Mr. Kirkwood said that he and several PUD employees attended the training. It was held at Harrisville Fire Department and was a free training session funded by the State. The training went over how to put together a proper Emergency Response Program for a small water company.

E. GNEF Luncheon

Mr. Kirkwood said the RIGNEF will be held on June 13th to close out the Good Neighbor Energy Fund yearly campaign. The Board is invited to attend.

F. Thank you

Mr. Kirkwood said that Ms. LaPorte received several written thank you notes from two customers for her help with long term payment arrangements. Mr. Kirkwood and the Board congratulated her for

taking the extra time to help a customer in need.

5. Approval of Minutes

- **Facilities Subcommittee-March 24, 2014**
- **Water Subcommittee- March 24, 2014**
- **Regular BUC- March 24, 20104**

Mr. Lees made a motion to approve the minutes of the Facilities Subcommittee as submitted, seconded by Mr. Jenks. The vote in favor was unanimous.

Mr. Lees made a motion to approve the minutes of the Water Subcommittee as submitted, seconded by Mr. Kogut. The vote in favor was unanimous.

Mr. Lees made a motion to approve the minutes of the Regular Board meeting as submitted, seconded by Mr. Kogut. The vote in favor was unanimous.

6. Unfinished Business

7. New Business

A. 14-06 Electric Meters

Mr. Kirkwood stated that PUD staff had put in a request through NEPPA to find out if any utilities that had gone to AMI meters were willing to sell their AMR meters to PUD. Marblehead Municipal Light Department responded that they had roughly half of what PUD would need to install an AMR system and would sell them for \$15,000. The remainder of the meters would cost \$75,000 over the course of two years to implement. The AMR system would work well with the new office software that is currently being installed. A new system would

cost an estimated \$250,000.

B. 14-07 Dig Safe Violation by National Grid Contractor

Mr. Kirkwood said the Dig Safe Violation happened on Wallum Lake Road. There was a gas line that had been marked incorrectly in the area where PUD's crew was digging. Mr. Guertin luckily saw the yellow tape and told the crew to stop digging. Mr. Kirkwood put in a complaint with the State because someone could have gotten seriously hurt. The hearing was last week and Dig Safe admitted that they had marked it wrong but the error was really due to Verizon failing to notify them of their facilities in the street.

C. 14-08 Power Contract TransCanada

Mr. Kirkwood was happy to report that PUD has a load following contract put in place for 2015, 2016 and 2017. The District will be completely hedged for next winter's energy needs.

D. 14-09 Review of 2013 Audited Financials

Mr. Kirkwood stated that the Board was given a copy of the audited financial statements to review. The District had a negative net income for the year but it's largely due to the timing of the increased standard offer effective January 1, 2014.

E. 14-10 Mid-year Filing

Due to the high energy costs of this past winter, the District will have to go in for a midyear rate filing with the RIPUC. The District is requesting that the standard offer rate increase from seven cents to eight cents per kwhr.

8. Financial Reports

A. Electric Department- N/A

B. Water Department-N/A

9. Adjournment

Mr. Lees made a motion to adjourn, seconded by Mr. Jenks. The vote in favor was unanimous. The meeting was adjourned at 6:42PM.

Wallace Lees, Secretary
Board of Utility Commissioners

Desarae Dolan, Recording Secretary